

**LEGISLATIVE SERVICES AGENCY  
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House  
(317) 232-9855

**FISCAL IMPACT STATEMENT**

**LS 6365**

**BILL NUMBER:** HB 1021

**DATE PREPARED:** Nov 16, 1998

**BILL AMENDED:**

**SUBJECT:** High School Diploma for GED Holders.

**FISCAL ANALYST:** David Hoppmann

**PHONE NUMBER:** 232-9559

**FUNDS AFFECTED:** X **GENERAL**  
**DEDICATED**  
**FEDERAL**

**IMPACT:** State & Local

**Summary of Legislation:** This bill would allow a person who holds an Indiana General Educational Development diploma (GED) to obtain a high school diploma (diploma) by passing the 10th grade graduation examination (examination) under the Indiana Statewide Testing for Educational Progress Program (ISTEP+) within four years of obtaining a GED. Such an individual would be required to take the examination at his/her school corporation of residence.

This bill would require the school corporation to administer the examination at a regularly scheduled time to a GED holder who wishes to take or retake the examination. It would provide that a school corporation not be required to remediate a GED holder who does not pass the examination.

This bill would allow a school corporation to receive state adult education distribution money for adult education programs for GED diploma holders who wish to obtain a high school diploma by passing the examination.

**Effective Date:** July 1, 1999.

**Explanation of State Expenditures:** This bill would allow a person who holds a GED to obtain a diploma by passing the examination under ISTEP+ within four years of obtaining the GED. During CY 1997, 17,910 individuals were candidates for the GED. Of this number, 12,998 passed and currently hold a GED. To date, no final data exist for CY 1998.

In accordance with this bill, these 12,998 individuals would be able to take and retake (if necessary) the examination at their school corporation of residence within a four year period of having obtained their respective GEDs. Assuming the number of GED graduates remain constant (as well as the number wanting to take the examination), school corporations could be required to administer the examination to approximately 12,998 new individuals each year (this bill would not require that a school corporation

remediate a GED holder who does not pass the examination).

No appropriation is made in this bill, however, it would allow school corporations to use state adult education distribution program money for the purposes of fulfilling the requirements of this bill.

For FY 97/98 and FY98/99, the General Assembly appropriated \$13,500,000 per year to the Department of Education for adult education distribution. Currently, distributions are used to reimburse school corporations for adult education that is provided to persons who need to gain mastery of skills leading to the completion of grade 8 or to the completion of a GED. Distributions are also used to provide high school credit to individuals obtaining a high school diploma, or to provide basic Mathematics and English/Language skills to high school graduates and GED holders.

Depending upon the size of the school corporation, the number of new GED holders within each school corporation, and the failure rate of the examination test takers, the effects of this bill could vary significantly from school corporation to school corporation.

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** See State Expenditures.

**Explanation of Local Revenues:**

**State Agencies Affected:** Indiana Department of Education.

**Local Agencies Affected:** Indiana's School Corporations.

**Information Sources:** State of Indiana List of Appropriations; Melinda McKinney, Department of Education, 317/232-0522.